

A Fax/Memo From
Larry C. Apple, CPA

Financial Administrator for:

The Cropper Trust

Secretary-Treasurer for:

Red Emerald, Inc.

Sugarville Cubing Co., Inc

4990 Paradise Road, Ste. 106, Las Vegas, NV 89119-1235; Phone: 702-798-7414; Fax 702-798-7419; E-Mail: lcalv@aol.com

CONFIDENTIALITY NOTE

The information contained in this FAX/MEMO is legally privileged and confidential and is intended solely for the use of the individual or entity named below. If you have received this FAX/MEMO in error please call us collect and return the original. Telephone and postage will be reimbursed.

To: ✓ Ed Ginouves, Mining Engineer
US Bureau of Land Management 435-864-3058

CC: ✓ Don Petersen, Esq. @ Howard, Lewis & Petersen Attorneys 801-377-4991
Tom Munson, Utah DOGM 801-359-3940
✓ Clint Christensen @ Construction and Mining Services, Inc. 435-867-4782
Edward Harris 435-864-5507
Marlow Cropper (Hand delivered)
Earle Foster 907-248-0877

Date: 01-08-2003

Subject: Activation of Red Emerald, Inc. Small Mine Permit

Pages: 1

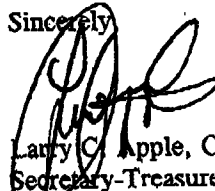
Dear Ed,

This letter is to formally request the reactivation of our application for small mine permit, as we discussed via phone last week. We have engaged Clint Christensen of Construction Mining Services, Inc. (Cedar City) to meet with you and resolve the issues outlined in your letter of January 28, 2002. We are prepared to post the required \$20,000 bond once we receive the appropriate bond forms. We will set up a cash certificate of deposit with our bank in Delta, Utah, and post (assign) it to Utah and BLM as required.

Please acknowledge receipt of this fax. I can be reached via mail, phone, fax, or e-mail as disclosed in the heading of this memo.

Thank you for your assistance and cooperation.

Sincerely,


Larry C. Apple, CPA
Secretary-Treasurer
Red Emerald, Inc.

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DIV. OF OIL, GAS & MINING

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